

ANNUAL REPORT

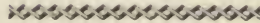
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# W. T. GRANT COMPANY

(A Delaware Corporation)

and Operating Subsidiary Company

(A Massachusetts Corporation)



# W. T. GRANT REALTY CORPORATION

(A New York Corporation)

1939

FOR THE YEAR ENDED JANUARY 31, 1930

**BOARDS**

q668.27

G7678I



## DIRECTORS

William T. Grant, Chairman

H. S. Davis

F. A. Powdrell

C. E. Freeman

Max Radt

J. M. Hancock

B. A. Rowe

J. L. O'Neill

L. M. Van Hoogenstyn

MAY 24-32  
HG  
2710

## OFFICERS

William T. Grant . . . . . Chairman of the Board

B. A. Rowe . . . . . President

R. W. Story . . . . . Secretary

J. G. Byler . . . . . Assistant Treasurer

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### Transfer Agent

Guaranty Trust Company  
of New York

### Registrar

Bankers Trust Company,  
New York, N. Y.

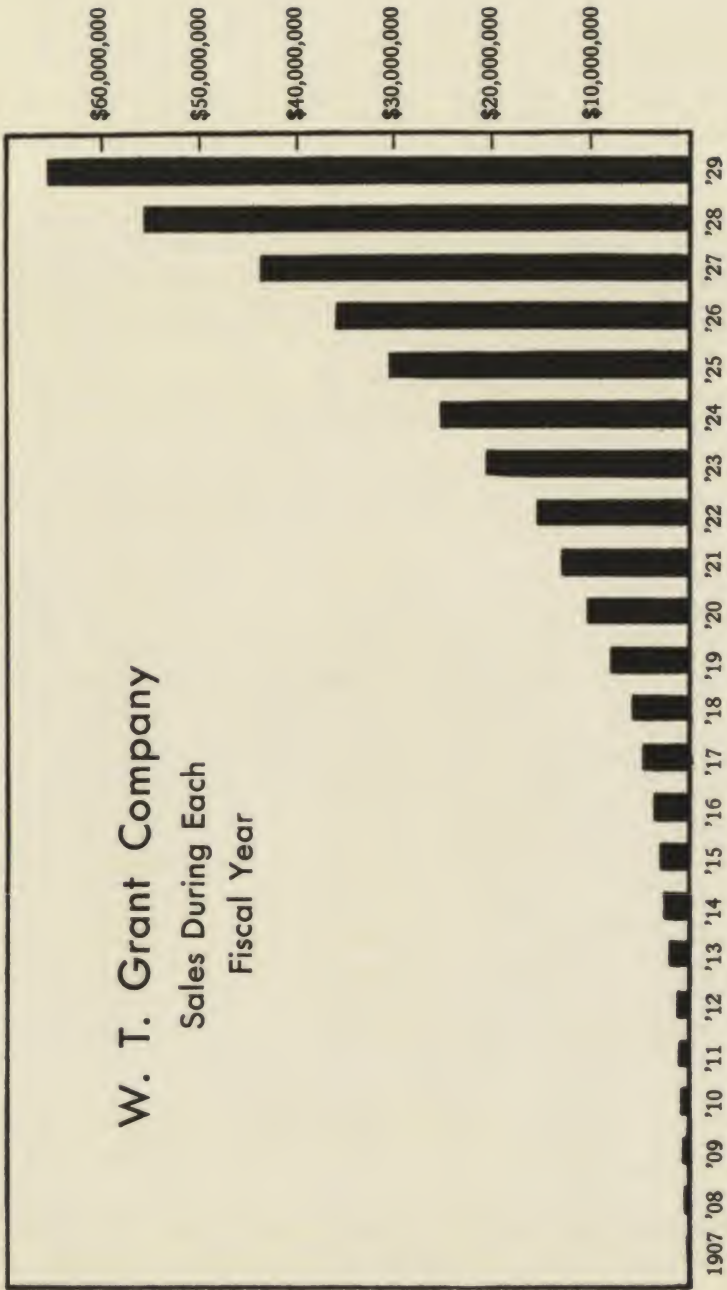
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### Annual Meeting

FIRST TUESDAY IN APRIL

1441 BROADWAY, NEW YORK CITY

W. T. Grant Company  
Sales During Each  
Fiscal Year



**To the Stockholders of W. T. Grant Company:**

The Annual Report for the 1929 Fiscal Year, which ended January 31, 1930, is submitted herewith.

**SALES**

Sales of the Company for the year amounted to \$65,902,419, an increase of \$10,211,634 over the previous year. There were 279 stores operating on January 31, 1930.

Below are given monthly sales of all stores, also the dollar increase in sales and the percentage increase for each month of the year over the corresponding month of the previous year.

	SALES	INCREASE IN SALES	% INCREASE
1929—February . . . . .	\$ 3,516,008	\$ 673,501	23.7
March . . . . .	5,141,437	1,435,048	38.7
April . . . . .	4,421,035	765,027	20.9
May . . . . .	5,089,451	993,449	24.3
June . . . . .	5,374,171	1,008,324	23.1
July . . . . .	4,523,745	792,908	21.3
August . . . . .	5,065,529	1,069,499	26.8
September . . . . .	4,776,755	68,993	1.5
October . . . . .	6,164,172	746,590	13.8
November . . . . .	6,510,666	96,151	18.0
December . . . . .	11,535,839	1,208,025	11.7
1930—January . . . . .	3,783,611	454,121	13.6
<b>TOTALS . . . . .</b>	<b>\$65,902,419</b>	<b>\$10,211,634</b>	<b>18.3</b>

The early months of the year showed larger percentage gains, due to the better business conditions then prevailing.

Of the increase shown, \$949,052 was contributed by stores which were open during the entire previous fiscal year. New stores opened in 1929 showed sales of \$5,826,783 during that part of the year they were in operation. The balance of the increase was from sales during 1929 of stores opened during 1928.



During the year fifty-nine additional stores located in twenty different states were opened. These stores are listed below, with dates of opening.

- |                                   |                                   |
|-----------------------------------|-----------------------------------|
| Feb. 23, 1929—Bay Shore, L. I.    | Aug. 24, 1929—Columbia, Pa.       |
| Mar. 2, 1929—Patchogue, L. I.     | Aug. 31, 1929—Wakefield, Mass.    |
| Mar. 9, 1929—New York City, N. Y. | Sept. 14, 1929—Danville, Va.      |
| Mar. 16, 1929—Dansville, N. Y.    | Sept. 21, 1929—Shamokin, Pa.      |
| Mar. 23, 1929—Portsmouth, Va.     | Sept. 21, 1929—Stoneham, Mass.    |
| Mar. 30, 1929—Upper Darby, Pa.    | Sept. 28, 1929—Chicago, Ill.      |
| Apr. 13, 1929—Mt. Pleasant, Pa.   | Sept. 28, 1929—Geneva, N. Y.      |
| May 4, 1929—Omaha, Neb.           | Oct. 5, 1929—Pittsburgh, Kan.     |
| May 11, 1929—Hyannis, Mass.       | Oct. 12, 1929—Milford, Del.       |
| May 11, 1929—Winchendon, Mass.    | Oct. 12, 1929—Fredericksburg, Va. |
| May 11, 1929—Franklin, Mass.      | Oct. 19, 1929—Jamaica, L. I.      |
| May 18, 1929—Camden, N. J.        | Oct. 26, 1929—Detroit, Mich.      |
| May 18, 1929—New York City, N. Y. | Oct. 26, 1929—Buffalo, N. Y.      |
| May 18, 1929—St. Louis, Mo.       | Nov. 2, 1929—Millville, N. J.     |
| May 25, 1929—Mt. Union, Pa.       | Nov. 2, 1929—New York City, N. Y. |
| June 8, 1929—Riverhead, L. I.     | Nov. 2, 1929—Muskogee, Okla.      |
| June 15, 1929—Huntingdon, Pa.     | Nov. 16, 1929—Vineland, N. J.     |
| June 15, 1929—Hudson Falls, N. Y. | Nov. 16, 1929—Brunswick, Ga.      |
| June 15, 1929—Windber, Pa.        | Nov. 16, 1929—Crisfield, Md.      |
| June 22, 1929—Corry, Pa.          | Nov. 29, 1929—Minneapolis, Minn.  |
| June 22, 1929—Paterson, N. J.     | Nov. 30, 1929—Pittston, Pa.       |
| June 29, 1929—Hammond, Ind.       | Nov. 30, 1929—Waynesboro, Pa.     |
| June 29, 1929—Lackawanna, N. Y.   | Nov. 30, 1929—Bayonne, N. J.      |
| June 29, 1929—Derry, N. H.        | Dec. 7, 1929—Middletown, Conn.    |
| July 6, 1929—Warsaw, N. Y.        | Dec. 7, 1929—Belleville, Ill.     |
| July 13, 1929—Marion, Ohio        | Dec. 9, 1929—Clifton Forge, Va.   |
| July 20, 1929—Jacksonville, Fla.  | Dec. 13, 1929—Elyria, Ohio        |
| Aug. 17, 1929—Cambridge, Md.      | Jan. 11, 1929—Homestead, Pa.      |
| Aug. 24, 1929—Palmerston, Pa.     | Jan. 25, 1930—Bellaire, Ohio      |
|                                   | Jan. 25, 1930—Conneaut, Ohio      |

In addition to the new stores above, eleven stores, at Putnam, Stamford, and Thompsonville, Connecticut; Atlanta, Georgia; Evansville, Indiana; Athol, Massachusetts; Beacon and Rochester, New York; Chattanooga, Tennessee; and Dallas and San Antonio, Texas, were remodeled and enlarged.

## EARNINGS AND DIVIDENDS

Net Earnings, after Federal Taxes, available for the payment of dividends on the Company's capital stock, were the largest in its history, being \$3,057,750, an increase of \$298,000 over the previous year.

Earnings reported are after a deduction of \$306,196 for depreciation of furniture and fixtures, and \$315,306 for the amortization of alterations and improvements. The charge for depreciation equalled 12.7% of the average balance at which these items were carried during the year, while the amortization of alterations and improvements amounted to 6.3% of their average balance for the year. Consistent with the Company's accounting policy, rentals on stores under construction, costs of small fixtures, and other new store pre-opening expenditures aggregating in excess of \$750,000 were charged against earnings for the year.

Cash dividends paid during the year on the Company's capital stock amounted to \$700,519, an increase of \$185,395 over payments made during the previous year.

## FINANCIAL CONDITION

With working capital of \$9,001,853 the Company ended the year in the strongest financial condition in its history.

Cash alone was \$2,517,203, exceeding all current liabilities. Inventories were of standard articles of merchandise, and are believed to be conservatively valued.

Under Other Assets are included amounts expended on building construction aggregating \$363,715. After completion of construction work, these amounts will be repaid to the Company by the property owners.

The increased investment in the W. T. Grant Realty Corporation resulted from the purchase during the year of three properties. It was found more profitable to purchase these properties than to lease them. The balance sheet of the Realty Corporation is included in this report.

The increases in the Furniture and Fixtures Account, and in the Alterations and Improvements Account resulted from the expenditures for the fifty-nine stores opened during the year and the eleven stores remodeled and enlarged.



Changes in the Capital Account during the year were as follows:

January 31, 1929—Outstanding . . . . .	538,900 Shares	\$6,020,496
October 25, 1929—Additional Shares Issued to Stockholders and Surplus Charged . . . . .	538,900 Shares	538,900
November 26, 1929—Sold to Stockholders and Underwriters for Cash	107,780 Shares	3,236,800
January 31, 1930—Outstanding . . . . .	1,185,580 Shares	\$9,796,196

Surplus changes are given in detail in the Consolidated Surplus Account. At the end of the year, Surplus stood at \$10,700,770.

### CHANGES IN CAPITALIZATION

At a special meeting held October 7, 1929, stockholders authorized increasing the Authorized Capital Stock from 550,000 shares to 2,000,000 shares, without par value. On the same date the Board of Directors approved a plan under which stockholders of record October 17, 1929, received on October 25, one additional share of stock for each share owned. As a result, the number of shares of capital stock outstanding was increased from 538,900 shares to 1,077,800 shares.

The Board of Directors also approved a plan permitting stockholders of record November 1, 1929, to subscribe, on or before November 26, 1929, for one share of stock at \$30, for every ten shares owned. The offering was underwritten. Although there was a severe reaction in security values between the time of announcing the offering and the last subscription day, stockholders subscribed for 107,610 of the 107,780 shares offered them. The underwriters purchased the remaining 170 shares. As a result, the number of shares of stock outstanding was increased to 1,185,580.

On January 1, 1930, a quarterly dividend of \$0.25, or at the rate of \$1.00 per share annually, was paid on the entire outstanding stock. This is equivalent to an increase in the annual rate from \$1.00 to \$2.20 on the number of shares outstanding at the beginning of the year.

### ORGANIZATION CHANGES

On February 1, 1930, Mr. C. E. Freeman, previously President, became Chairman of the Finance Committee of the Board of Directors. In this position, Mr. Freeman will continue to make available the experience gained in over twenty years' service with the Company.



Succeeding Mr. Freeman, Mr. B. A. Rowe was elected President of the Company. Mr. Rowe started with the Company over twenty years ago and has been floorman, assistant store manager, store manager, District Manager, Director of Store Operations, and Vice President and General Manager. Mr. Rowe brought to his new position as chief executive officer of the Company a thorough knowledge of its methods and policies and a splendid relationship with his co-workers.

During the past year, the district organizations have been further strengthened, carrying out a plan adopted two years ago. The building up of these district organizations, of which there are four, is resulting in better store supervision, a more prompt adjustment to local changes, and a better adaptation of merchandise to varying climatic conditions and consumer demands. These district offices will further provide the organization for directing future expansion.

## EXPANSION

The liquid financial condition of the Company will enable it to continue to expand. Leases calling for occupancy during the current fiscal year have already been signed for thirty-four stores to be opened in the following cities:

Batavia, N. Y.	Honesdale, Pa.	Oneonta, N. Y.
Beth, N. Y.	Johnstown, N. Y.	Reading, Mass.
Buffalo, N. Y. (3)	Lansing, Mich.	Rockville Center, L. I.
Collingswood, N. J.	Lynchburg, Va.	Salt Lake City, Utah
Corning, N. Y.	McKeesport, Pa.	Sayre, Pa.
Dover, Del.	Miami, Fla.	Springfield, Mo.
East Liberty, Pa.	Muskegon, Mich.	Titusville, Pa.
Eastwood, N. Y.	Newport, Vt.	Towanda, Pa.
Elkins, W. Va.	Newport News, Va.	Utica, N. Y.
Hackensack, N. J.	New York City, N. Y. (2)	Weston, W. Va.
Hamtramck, Mich.		

Sales for the 1930 fiscal year are conservatively expected to be in excess of \$75,000,000.

During the year, larger quarters for the buying and executive offices in New York City were taken under a long term lease. The new space, the 15th, 16th and 17th floors at the new 1441 Broadway Building gave the Company more floor space and more desirable quarters. Provision has been made for securing additional space, which it is anticipated will be required as a result of the continued growth of the Company.

Very truly yours,

WILLIAM T. GRANT,  
Chairman of the Board.

New York City, New York,  
March 14, 1930.

**W. T. GRANT COMPANY**  
(A Delaware Corporation)

AND OPERATING SUBSIDIARY COMPANY  
(A Massachusetts Corporation)

**CONSOLIDATED INCOME ACCOUNT**

For the Fiscal Year Ended January 31, 1930

SALES . . . . .		\$65,902,418.94
LESS: Cost of Merchandise and Operating Expenses . . . . .		62,073,716.55
		3,828,702.39
OTHER INCOME (Interest and Miscellaneous Items—Net) . . . . .		230,549.61
		\$4,059,252.00
DEDUCT:		
Allowance for Depreciation and Amortization of Leasehold Improvements . . . . .	621,502.07	
Reserve for Federal Income Tax . . . . .	380,000.00	1,001,502.07
		NET INCOME . . . . . \$3,057,749.93

**CONSOLIDATED SURPLUS ACCOUNT**

For the Fiscal Year Ended January 31, 1930

BALANCE—January 31, 1929 . . . . .		\$8,926,800.97
ADD:		
NET INCOME For Year, as above . . . . .	3,057,749.93	\$11,984,550.90
DEDUCT:		
CASH DIVIDENDS PAID		
April 1, 1929—25¢ per share . . . . .	\$134,725.00	
July 1, 1929—25¢ per share . . . . .	134,725.00	
October 1, 1929—25¢ per share . . . . .	134,725.00	
January 1, 1930—25¢ per share . . . . .	296,344.00	700,519.00
		700,519.00
ISSUE to Stockholders, one share of capital stock for each share held on October 17, 1929, 538,900 shares at nominal value . . . . .	538,900.00	
PREMIUM on Retirement of Preferred Stock of W. T. Grant Realty Corporation, Prior Year Federal Income Taxes, etc. . . . .	44,362.13	1,283,781.13
		BALANCE—January 31, 1930 . . . . . \$10,700,769.77

# W. T. GRANT COMPANY

(A Delaware Corporation)

## AND OPERATING SUBSIDIARY COMPANY

(A Massachusetts Corporation)

### CONSOLIDATED BALANCE SHEET

January 31, 1930

#### ASSETS

##### CURRENT

Cash . . . . .	\$2,517,202.75	
Accounts Receivable . . . . .	353,343.86	
Merchandise Inventories—Market Value . . . . .	7,880,660.73	
Cash Surrender Value—Life Insurance Policies . . . . .	66,750.57	\$10,817,957.91

##### OTHER ASSETS

Amounts expended on Building Construction—To be repaid by owners upon completion . . . . .	363,715.13	
Sundry Accounts, Notes and Investments . . . . .	224,395.48	588,110.61

##### SUBSIDIARY COMPANY

W. T. Grant Realty Corporation—Entire Outstanding Capital Stock . . . . .	2,316,815.00	
Account Receivable . . . . .	28,088.54	2,344,903.54

##### FURNITURE AND FIXTURES

At Cost . . . . .	3,728,889.16	
Less: Allowance for Depreciation . . . . .	1,156,192.83	2,572,696.33

##### ALTERATIONS AND IMPROVEMENTS TO LEASED PROPERTIES . . . . .

(This amount is being written off over a period not in excess of terms of leases)		5,530,437.75
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##### DEFERRED CHARGES

Unexpired Insurance Premiums, Supplies, Prepaid Rents, Taxes, etc . . . . .		726,530.87
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\$22,580,637.01

#### LIABILITIES

##### CURRENT

Accounts Payable . . . . .	\$ 758,349.96	
Accrued Accounts . . . . .	652,754.70	
Federal Income Tax on Current Earnings (Estimated) . . . . .	380,000.00	
Notes Payable for Lease—Due 1930 . . . . .	25,000.00	\$1,816,104.66

##### DEFERRED LIABILITY

Notes Payable for Lease—Due 1931 to 1938 . . . . .		187,500.00
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##### RESERVE FOR REPAINTING STORES . . . . .

80,066.58

##### CAPITAL STOCK AND SURPLUS

Capital Stock—Authorized 2,000,000 Shares of no par value		
Outstanding 1,185,580 shares . . . . .	9,796,196.00	
Surplus . . . . .	10,700,769.77	20,496,965.77

\$22,580,637.01



**W. T. GRANT REALTY CORPORATION**  
(A New York Corporation)

**BALANCE SHEET**

January 31, 1930

ASSETS

LAND AND BUILDINGS . . . . .	\$4,084,917.64	
Less: Allowance for Depreciation . . . . .	66,391.00	\$4,018,526.64
		\$4,018,526.64
ALTERATIONS AND IMPROVEMENTS		
To Owned and Leased Properties (Unamortized Balance) . . . . .		457,553.95
CASH . . . . .		39,152.62
RENTS RECEIVABLE . . . . .		18,682.42
DEFERRED CHARGES		
Unexpired Insurance Premiums, Prepaid Taxes, Rent, etc. . . . .		63,627.11
		\$4,597,542.74

LIABILITIES

MORTGAGES PAYABLE . . . . .		\$2,215,000.00
ACCRUED ACCOUNTS . . . . .		32,928.18
ACCOUNT PAYABLE—W. T. GRANT COMPANY . . . . .		28,088.54
CAPITAL AND SURPLUS		
Capital Stock		
Authorized and Issued—1000 shares of No Par Value . . . . .	\$2,316,815.00	
Surplus . . . . .	4,711.02	2,321,526.02
		\$4,597,542.74



March 11, 1930.

To the Board of Directors and Stockholders,  
W. T. Grant Company,  
New York City.

Gentlemen:

WE HEREBY CERTIFY that we made an examination of the books of account and record pertaining to the assets and liabilities of W. T. GRANT COMPANY (A Delaware Corporation)—NEW YORK CITY and operating subsidiary company (A Massachusetts Corporation) as at January 31, 1930 and, based on our examination and information submitted to us, it is our opinion that the annexed Consolidated Balance Sheet sets forth the combined financial condition of the companies at the date stated and that the relative consolidated Income and Surplus Accounts attached hereto are correct. The merchandise inventories as taken and certified by the management were tested by us as to computations, footings and prices, and are valued at not in excess of cost or market whichever is lower. No contingent liabilities were reported to us and none were disclosed by our examination.

We also certify that we made an examination of the books of account and record pertaining to the assets and liabilities of W. T. GRANT REALTY CORPORATION—NEW YORK CITY as at January 31, 1930, and based on our examination and information submitted to us, we are of the opinion that the annexed Balance Sheet of that company sets forth its financial condition at the date stated.

Very truly yours,

ERNST & ERNST.

## GRANT STORES

### ALABAMA

Mobile

### ARKANSAS

Little Rock

### CONNECTICUT

Ansonia  
Bridgeport (2)  
Danielson  
Derby  
Hartford  
Meriden  
Middletown  
Milford  
Naugatuck  
New Britain  
New Haven  
New Milford  
Putnam  
Rockville  
Southington  
South Manchester  
Stamford  
Thomaston  
Thompsonville  
Torrington  
Wallingford  
Waterbury  
Willimantic  
Winsted

### DELAWARE

Milford  
Wilmington

### FLORIDA

Jacksonville  
Tampa  
Ybor City Station

### GEORGIA

Atlanta  
Brunswick  
Macon

### ILLINOIS

Alton  
Aurora  
Belleville  
Chicago (2)  
East St. Louis  
Elgin  
Joliet  
Peoria  
Quincy  
Rockford

### INDIANA

Evansville  
Fort Wayne  
Gary  
Hammond  
Michigan City

### IOWA

Clinton  
Davenport  
Ottumwa

### KANSAS

Pittsburg

### KENTUCKY

Louisville  
Paducah

### LOUISIANA

New Orleans  
Shreveport

### MAINE

Bangor  
Brunswick  
Gardiner  
Lewiston  
Old Town  
Portland  
Sanford  
Skowhegan

### MARYLAND

Baltimore  
Cambridge  
Crisfield

### MASSACHUSETTS

Adams  
Athol  
Beverly  
Boston  
Brockton  
Cambridge  
Chelsea  
Clinton  
Codman Square  
Danvers  
East Boston  
Easthampton  
Everett  
Fall River  
Fitchburg  
Framingham  
Franklin  
Gardner  
Great Barrington  
Haverhill

### MASSACHUSETTS (Cont.)

Holyoke  
Hudson  
Hyannis  
Hyde Park  
Lawrence  
Lynn (2)  
Marlboro  
Medford  
Melrose  
Middleboro  
Milford  
Natick  
Needham  
New Bedford  
North Adams  
North Attleboro  
Norwood  
Palmer  
Peabody  
Pittsfield  
Plymouth  
Rockland  
Roxbury  
Salem  
Somerville  
South Boston  
Stoneham  
Uphams Corner Sta.  
Wakefield  
Waltham  
Ware  
Webster  
Weymouth  
Winchendon  
Worcester

### MICHIGAN

Detroit (2)  
Kalamazoo

### MINNESOTA

Minneapolis  
St. Paul

### MISSOURI

St. Joseph  
St. Louis

### NEBRASKA

Lincoln  
Omaha

### NEW HAMPSHIRE

Derry  
Franklin  
Manchester  
Nashua  
Portsmouth  
Rochester

**NEW JERSEY**

Bayonne  
Camden  
Hammonton  
Hoboken  
Jersey City (2)  
Millville  
Newark  
Passaic  
Paterson  
Rahway  
Union City  
Vineland  
West New York

**NEW YORK**

Albany  
Bay Shore, L. I.  
Beacon  
Binghamton  
Bronx  
Brooklyn (2)  
Buffalo (3)  
Carthage  
Catskill  
Corona, L. I.  
Dansville  
Flushing, L. I.  
Freeport, L. I.  
Geneva  
Glen Cove, L. I.  
Hempstead, L. I.  
Hudson Falls  
Huntington, L. I.  
Ilion  
Jamaica, L. I.  
Kingston  
Lackawanna  
Lockport  
Lynbrook, L. I.  
Medina  
Middletown  
New York City (2)  
Niagara Falls  
Norwich  
Oneida  
Patchogue  
Port Jervis  
Poughkeepsie  
Riverhead  
Rochester  
Rome  
Schenectady  
Seneca Falls  
Syracuse

**NEW YORK (Cont.)**

Tonawanda  
Watertown  
Warsaw  
Westfield  
Wellsville

**NORTH CAROLINA**

Charlotte  
Greensboro  
Raleigh

**OHIO**

Bellaire  
Canton  
Conneaut  
Dayton  
Elyria  
Lima  
Mansfield  
Marion  
Portsmouth  
Toledo

**OKLAHOMA**

Muskogee  
Oklahoma City

**PENNSYLVANIA**

Altoona  
Bangor  
Berwick  
Bristol  
Butler  
Carlisle  
Columbia  
Conshohocken  
Corry  
Danville  
Erie  
Hazleton  
Homestead  
Huntingdon  
Johnstown  
Lancaster  
Milton  
Mount Pleasant  
Mount Union  
Oil City  
Palmerton  
Philadelphia  
Phoenixville  
Pittston  
Pittsburgh  
Reading  
Scranton

**PENNSYLVANIA (Cont.)**

Shamokin  
Sunbury  
Uniontown  
Upper Darby  
Waynesboro  
Windber  
York

**RHODE ISLAND**

Newport  
Providence  
West Warwick

**SOUTH CAROLINA**

Charleston  
Greenville

**TENNESSEE**

Chattanooga  
Memphis  
Nashville

**TEXAS**

Dallas  
El Paso  
Fort Worth  
Houston  
San Antonio  
Waco  
Wichita Falls

**VERMONT**

Bennington

**VIRGINIA**

Clifton Forge  
Danville  
Fredricksburg  
Norfolk  
Petersburg  
Portsmouth  
Richmond  
Roanoke

**WEST VIRGINIA**

Huntington

**WISCONSIN**

Fond du Lac  
Oshkosh  
Sheyboygan

